

FINANCE COMMITTEE REPORT

May 07, 2013

A Finance Committee meeting was held Tuesday, May 07, 2013 at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas.

Committee Members Present: JP's Allen, J. Harrison, Jones, Blaty, Curry, Moore, Moehring

Others Present: JPs Adams, Anglin, and Meyers, and K. Harrison, County Judge Bob Clinard, Treasurer Deanna Ratcliffe, Assessor Glenn "Bear" Chaney, Circuit Clerk Brenda DeShields, County Attorney George Spence, Human Resource Manager Barbara Ludwig, Comptroller Sarah Daniels, Accounting Manager Mike Crandall, Administrator of Public Safety Marshall Watson, Administrator of General Service John Sudduth, Grants and Property Accounting Administrator Kati Rose, Director of Emergency Management Robert McGowen, Information Systems Director Sidney Reynolds, Major Rob Holly, Assistant Network Administrator Shawn Scott

Tom Sissom – Benton County Daily Record

Chair JP Allen called the meeting to order.

Grants Administrator

Grants Administrator Kati Rose reported that: 1) the Department of Justice – Coverdell Forensic Science Improvements Grant FY had been submitted and that a county match is not required; 2) she is in the process of writing the Department of Justice – Bulletproof Vests Grant for \$20,000 to purchase bulletproof vests for the Sheriff's Department; 3) that she is requesting approval to apply for the Arkansas State Police – Selective Traffic Enforcement Program (S.T.E.P.) 2014 Grant for \$106,000 to reimburse deputies overtime salaries and that the County will satisfy the 50% match with in-kind services.

JP Jones made motion to approve and forward the resolution request to the May 12, 2013 Committee of the Whole Agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

2. Appropriation Ordinance Request: County Judge Office – Courthouse Feasibility Study

Comptroller Sarah Daniels stated this appropriation request is to appropriate \$32,500 for a Courthouse Feasibility Study.

Allie McKenzie with Hight-Jackson Associates P.A. presented a power point presentation on the need for a feasibility study for a new courts facility. She stated that the cost is \$65,000, and will

be funded half by Benton County and half by the downtown and community-based organizations and individuals.

Discussion was held on the Courthouse Feasibility Study for a new Judicial Center.

Allie McKenzie said the study will not include a detailed traffic study and will not examine economic impact of moving the courts away from downtown. She added that the study will make no recommendation about paying for the project.

JP Moehring stated that it is important for us to know what is not included in the study.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Quorum Court agenda, seconded by JP Jones.

Gary Jackson with High-Jackson Associates P.A. stated that this is the first step, and that the study will provide cost parameters, including schematic drawings and estimates of the square footage of the proposed building.

JP Moore stated that he wants the county to be cautious about downtown Bentonville interests possibly swaying the findings of the study.

Brenda Anderson, a Downtown Bentonville Inc. board member, said those participating are advocates for downtown but that they would not try to influence the outcome. She added that they just want to make sure that downtown is a consideration, and that the study should list the pros and cons of each alternative.

After further lengthy discussion, the motion passed by unanimous show of hands vote.

Sponsor: JP Jay Harrison.

3. Appropriation Ordinance Request: Juvenile Detention Center, Dept. 35, Fund 440

Administrator of General Services John Sudduth stated this appropriation ordinance request is to install a lawn irrigation system at the Juvenile Justice Center.

After further discussion was held on the need for a lawn irrigation system at the Juvenile Justice Center, JP Moore made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sponsor: JP Kurt Moore.

4. Appropriation Ordinance Request: Non-Dept & Maintenance, Dept. 23, Fund 010

John Sudduth stated that this was part of the 2012 budget and is to appropriate \$8,500 for the Administration Building HVAC Project funded in 2012.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Sponsor: JP Jay Harrison

5. Appropriation Ordinance Request: Sheriff, Dept. 05, Fund 440

Sarah Daniels stated this appropriation ordinance request is to appropriate \$21,500 to convert the Sheriff's Office sprinkler system from a water-base system to a clean agent-based system.

JP Moehring made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sponsor: JP Barry Moehring

6. Appropriation Ordinance Request: County Road Department, Dept. 44, Fund 020

County Judge Bob Clinard stated that Administrator of Public Services Scott Stober is unable to be here for the first of the meeting and asked that this appropriation ordinance request be moved to the end of the agenda.

Item 6 was moved to end of agenda.

7. Appropriation Ordinance Request: County Fire Services, Dept. 47, Fund 480

Sarah Daniels stated this appropriation ordinance request is to appropriate \$200,000 in revenue from Act 833 and the associated expenditures for the Rural Fire Protection Program.

JP Moore made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Jones.

Administrator of Public Safety Marshall Watson stated Act 833 is an insurance turn back stream and goes back to all of the fire departments through out the state. He stated that the municipalities and the county shares are equal.

Motion passed by unanimous show of hands vote.

Sponsor: JP Kurt Moore

8. Appropriation Ordinance Request: Search/Rescue – Dive Team, Dept 69, Fund 010

Sarah Daniels stated this appropriation ordinance request is to transfer funds for an air filling station maintenance.

JP Curry made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsor: JP Steve Curry.

9. Appropriation Ordinance Request: Jail, Dept. 67, Fund 931

Sarah Daniels stated this appropriation ordinance request is for an additional \$18,100 to purchase uniforms and comes out of the Jail Maintenance Fine Fund.

JP Jones made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Blaty.

Motion passed by unanimous show of hands vote.

Sponsor: JP Joel Jones

Items Forwarded from Personnel

I. Assessor's Office, Department 07, Fund 070

A. Wage Adjustment for GIS Project Manager

Assessor Glenn "Bear" Chaney stated this wage adjustment is for a \$5,000 salary increase for the GIS Project Manager because of the reassignment of extra duties and responsibilities previously performed by a former employee.

Sarah Daniels stated that an appropriation ordinance request is not needed because that there is enough money in the Assessor's budget to cover the expenses, she added that a resolution request for a waiver of policy is needed.

JP Moehring made motion to approve and forward a resolution to the May 12, 2013 Committee of the Whole, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sponsor: JP Barry Moehring

II. Jail, Dept. 67, Fund 330 - Communications Fund

• Part-time position licensed practical nurse

Sarah Daniels stated this is a request to fund two part-time Licensed Practical Nurse positions for the Jail and will be paid through the Communications Fund.

Captain Rob Holly stated this is to follow a new Federal Law called "Prison Rape Elimination Law" (PREA), which requires that the nursing staff dispense medications to inmates that the deputies cannot.

JP Jones made motion to approve and forward to the May 12, 2013 Committee of the Whole, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

Sponsor: JP Joel Jones

III. Non-recurring Salary Adjustment

Elected Officials' Recommendation for Non-Recurring Salary Adjustment

Category	# Employees	Amount	Total All Funds	Impact on General Fund
FT Employees hired prior to 1/1/2012	486	\$ 1,125	\$ 546,750.00	\$ 426,933.01
FT Employees hired 1/1/2012 to 12/31/2012	109	\$ 875	\$ 95,375.00	\$ 95,375.00
FT Employees hired 1/1/2013 to 3/31/2013	18	\$ 250	\$ 4,500.00	\$ 4,914.90
TOTALS	613		<u>\$ 646,625.00</u>	<u>\$ 527,222.91</u>
Total Wages and Benefits			<u>\$ 808,281.00</u>	<u>\$ 659,029.00</u>

1.91% increase in the General Fund Budget

Sarah Daniel reported that the three tiers to the non recurring salary adjustment is based on longevity service to the county.

JP Moehring stated that this is for a non-recurring salary adjustment for county employees. He stated that county employees did get a 2% salary increase this year, but that there also was a 2% increase in federal taxes. He added that given there was a significant amount of turn-back funds, that the Elected Officials got together and that they want to support this non recurring salary adjustment.

Lengthy discussion was held on the recommendation for a Non-Reoccurring Salary Adjustment.

JP Moore stated that he felt that the discussion on this matter was premature and that he was in favor of tabling the discussion until the next Finance Committee meeting to be held on Thursday, May 09, 2013.

JP Blaty made motion to table the non recurring salary adjustment discussion until the next regular Finance Committee meeting, seconded by JP Curry.

JP Allen stated that he was looking at the long-term fiscal situation and how best to compensate employees. He said that giving a bonus now could reduce money that might be available for raises in 2014.

County Judge Bob Clinard stated that he felt like the court should consider the non recurring salary adjustment and that the court should forward the adjustment to the next committee meeting

Sheriff Kelly Craddock stated that giving the employees something now is meaningful, and that money does matter.

JP Allen stated that employees cannot depend on bonuses for normal expenses,. He added that this is going to make a direct impact on what we have available to give for raises at the end of the year.

Further lengthy discussion was held on giving the county employees the non recurring salary adjustment.

JP Blaty withdrew her motion to table, seconded by JP Curry.

JP Allen stated that he wants to do the right thing long-term. He said that he still questions whether the right thing is to give them this check when their paycheck is going to be the same next week, and the week after that.

JP Moehring made motion to approve and forward an appropriation ordinance request to the May 14, 2013 Committee of the Whole, seconded by JP Jones.

JP Allen asked Sarah Daniels since this is coming out of turn back funds where do we stand today.

Sarah Daniels reported that after the close of the 2012 year, the total in reserves is \$18,600,000 and that includes the statutory reserve. She stated this figure does not include the \$1.1 million for the accelerated road plan or the \$520,000 cost for materials needed for the storm damage. .

Motion passed by unanimous show of hands vote.

5 yeas: J. Harrison, Jones, Blaty, Curry, Moehring
2 nays: Allen, Moore

Sponsor: JP Barry Moehring

IV. County Uniform Policy

Sarah Daniels stated this is a change to the County Uniform Policy to add additional language to section five to the policy that “in considering a request for a clothing allowance, the Quorum

Court may take into account how similar positions are treated by other employers, and that while the Quorum Court has ultimate discretion with regard to any particular clothing allowance, such will generally not be considered for positions which are purely office work or positions which already provide daily uniforms at the County's expense".

Lengthy discussion was held on the additional language to the policy and how the Quorum Court would have the discretion to decide during budget time, how much to budget.

JP Jay Harrison made motion to approve and forward the policy changes to the May 14, 2013 Committee of the Whole agenda, seconded by JP Moehring

Further discussion was held on the clothing benefit for the approved positions and it is a taxable benefit.

Motion passed by unanimous show of hands vote.

Sponsor: JP Jay Harrison

Sarah stated that an appropriation ordinance request to fund the work clothing allowance benefit to approved positions would be a transfer of funds from Supplies to Personnel in the Sheriff and Jail departments.

JP Jones made motion to approve and forward to the May 14, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Discussion was held on the uniform allowance benefit.

Motion passed by unanimous show of hands vote.

Meeting adjourned for break.

Meeting reconvened.

6. Appropriation Ordinance Request: County General Fund 020 to County Road, Dept. 44, Fund 010 - Storm Damage

Sarah Daniels stated this appropriation ordinance request is to appropriate \$520,000 out of reserves for additional transfers to the Road Department to cover the storm damages on April 18, 2013.

Administrator of Public Services Scott Stober stated the states estimate for the storm damage is over \$700,000, and that there are 127 sites that need repair. He added this request is to cover the material needed to repair the storm damage.

JP Jones asked how much the County will receive back from the state for the storm damage. Scott Stober stated that the state will reimburse 35% of the damage costs.

Further discussion was held on taking the \$520,000 out of reserves to pay for the storm damage.

Department of Emergency Management Director Robert McGowen stated that they are looking at 30 sites a day, and that they are still receiving calls.

JP Moore made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Scott Stober presented a power point presentation showing the storm damage to the county roads and bridges.

V. Forwarded from Personnel

Appropriation Ordinance Request: Road Department, Dept, 44, Fund 020

- **Hire three new equipment operators.**

Scott Stober stated that this appropriation ordinance request is to hire three new equipment operators. He stated that currently the Road Department has twenty-three road graders and only 20 qualified people who can run the graders, and that they can't get all the work done that needs to be done. He added that they can't be effective and organized the way they are operating and that he needs the additional three operators.

Lengthy discussion was held on the request to hire three new equipment operators in the Road Department.

JP Curry made motion to approve and forward to the May 14, 2013 Committee of the Whole agenda, seconded by JP J. Harrison.

Further discussion was held on the need to hire three new equipment operators in the Road Department.

Motion passed by unanimous show of hands vote.

6 in favor: J. Harrison, Jones, Blaty, Curry, Moore, Moehring

1 opposed: Allen

11. Appropriation Ordinance Request: County Road, Dept. 44, Fund 010 to 020

Sarah Daniels stated this appropriation ordinance request is transfer \$2,172,383 from County General to the Road Fund to accommodate additional expenditures approved in 2013.

- ½ Cent Sales Tax Addition-Asphalt \$ 1,100,000
- Heavy Equipment Purchase \$ 475,000
- April 18th Storm Damage \$ 520,000
- Equipment Operator II Positions (3) \$ 77,383

JP Jones made motion to approve and forward the transfer from County General in the amount of \$2,172,383. He stated that will include the three operators to the May 214, 2013 Committee of the Whole agenda, seconded by Curry.

Motion passed by unanimous show of hands vote.

12. Appropriation Ordinance Request: County Road, Dept 44, Fund 020

Scott Stober stated this appropriation ordinance request is to transfer in the amount \$330,000 from Supplies to Capital to purchase, one 6K Dozer and 2 Sheet Foot Rollers.

Discussion was held on the Road Department's request to purchase additional equipment.

JP Jones made motion to approve and forward the appropriation ordinance request to the May 14, 2013 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

Sales Tax Numbers

Sarah Daniels reported that the January sales tax receipts are up 5.28% for the month, totaling \$533,997, which is a net gain of \$143,980.

JP Jones made motion to table the rest of the items on the Finance agenda and move them to the May 9, 2013 Finance Committee agenda, seconded by JP J. Harrison

Motion passed by unanimous show of hands vote.

Meeting adjourned at 9:07